

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	:	
	:	
GSE ENVIRONMENTAL, INC., et al.	:	
	:	
Debtors.	:	
	:	
GSE ENVIRONMENTAL, INC., et al.,	:	
	:	
Appellants,	:	
	:	
v.	:	Civil Action No. 16-616-LPS
	:	
CHARLES A. SORRENTINO,	:	Bankruptcy Case No. 14-11126
	:	ADV No. 16-50377
Appellee.	:	

**RECOMMENDATION**

At Wilmington this **15<sup>th</sup>** day of **August, 2016**.

WHEREAS, pursuant to paragraph 2(a) of the Procedures to Govern Mediation of Appeals from the United States Bankruptcy Court for this District dated September 11, 2012, the court conducted an initial review, which included information from counsel, to determine the appropriateness of mediation in this matter;

WHEREAS, as a result of the above screening process, the issues involved in this case are not amenable to mediation and mediation at this stage would not be a productive exercise, a worthwhile use of judicial resources nor warrant the expense of the process.

The parties are not in agreement regarding mediation. Appellant supports mediation because the parties have had limited settlement discussions and are facing spending significant resources on appeal. Before suit, appellees made an offer when

appellant's disputed claim included an expense reimbursement which was significantly greater than the offer. Appellant argues he had an undisputed right to the expense reimbursement. No counteroffer was forthcoming. Appellees maintain they paid appellant's expense claim in full. Thereafter, appellees were successful in obtaining dismissal of appellant's claim.

At this time, in light of the findings by the Bankruptcy Court and other facts recently learned, appellees strongly believe that appellant's claim is baseless and have no interest in compensating him through mediation. Rather, they request that the following brief schedule be entered:

Appellant's opening brief	August 21, 2016
Appellees' answering brief	September 30, 2016
Appellant's reply brief	October 14, 2016

THEREFORE, IT IS RECOMMENDED that, pursuant to paragraph 2(a) Procedures to Govern Mediation of Appeals from the United States Bankruptcy Court for this District and 28 U.S.C. § 636(b), this matter be withdrawn from the mandatory referral for mediation and proceed through the appellate process of this Court. Through this Recommendation, the parties are advised of their right to file objections to this Recommendation pursuant to 28 U.S.C. § 636(b)(1)(B), FED. R. CIV. P. 72(a) and D. DEL. LR 72.1.

Local counsel are obligated to inform out-of-state counsel of this Order.

/s/ Mary Pat Thyng  
Chief U.S. Magistrate Judge Mary Pat Thyng